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LOCKHEED MARTIN



Gerald Musarra

Vice President, Trade and Regulatory Affairs
Washington Operations

December 11, 2003

Mr. Steven M. Mirsky
Assistant Vice President, Deputy Division Manager
Nuclear Safety and Engineering
Science Applications International Corporation
20201 Century Boulevard, 3rd Floor
Germantown, MD 20874

Via Facsimile

**Re: Cost Impact Assessment of Proposed Commercial Launch Regulations
(Docket No. FAA 2000-7953)**

Dear Mr. Mirsky:

Lockheed Martin appreciates the opportunity recently afforded us to meet with you and members of your team to discuss your firm's contract with the Federal Aviation Administration ("FAA") to perform an independent assessment of the cost impacts of the proposed FAA commercial launch regulations.

As discussed at the meeting, Lockheed Martin has repeatedly urged the FAA to continue using the same approach in place today to license commercial launch activity at the federal ranges, which is already subject to extensive Air Force oversight, by exempting federal ranges from the proposed regulations. Lockheed Martin continues to believe that new regulations applicable to federal ranges will result in unnecessary, additional regulatory burdens and costs, as we have documented in the detailed, proprietary cost impact analyses submitted to address each version of the proposed regulations published by the FAA to-date.

It is our understanding that the FAA already has provided to you a copy of these submissions. We remind you that those submissions include information and analyses that Lockheed Martin considers extremely competition sensitive and proprietary. As we were not aware in advance that you would be receiving those materials, we did not have the opportunity to have SAIC (and its subcontractors) sign a non-disclosure agreement with us. We will send you that document shortly under separate cover so that this requirement can be met.

Lockheed Martin continues to believe that these analyses – the preparation of which involved significant personnel and financial resources – accurately describe the cost impacts of the proposed regulations in a coherent, compelling fashion. We hope that you and your team will review these materials closely as you perform your assessment.

Sincerely,

Gerald Musarra

cc: FAA Docket
M. Albrecht, ILS
T. Marsh, LMC